

RD AN No. 4807 (4280-B)  
July 8, 2016

TO: State Directors, Rural Development

ATTENTION: Business Programs Directors, and Energy Coordinators

SUBJECT: Rural Energy for America Program (REAP)  
REAP rule compliance with 7 C.F.R. Part 4279, Subparts A, and B; and  
7 C.F.R. Part 4287, Subpart B

**PURPOSE/INTENDED OUTCOME:**

The purpose of this Administrative Notice (AN) is to provide clarification on the impact of the new Business and Industry Guarantee Program regulation with regards to REAP. The new regulation published in the Federal Register Vol 81, No 107 on June 2, 2016, with an effective date of August 2, 2016, will not be used to process or service guaranteed loans under current REAP regulation.

**COMPARISION WITH PREVIOUS AN:**

There is no previous guidance.

**IMPLEMENTATION RESPONSIBILITY:**

REAP regulation 7 C.F.R. Part 4280, Subpart B requires regulatory compliance with various sections of 7 C.F.R. Part 4279, Subparts A, and B; and 7 C.F.R. Part 4287, Subpart B that were in effect on the publication date of the REAP regulation, December 29, 2014. Notwithstanding the new Guaranteed Loan Making and Servicing Regulations 7 C.F.R. Part 4279, Subparts A, and B; and 7 C.F.R. Part 4287, Subpart B with an effective date of August 2, 2016, REAP will continue to meet compliance using 7 C.F.R. Part 4279, Subparts A, and B; and 7 C.F.R. Part 4287, Subpart B that were in effect at the publication date of the REAP regulation, December 29, 2014.

This shall remain in effect until REAP publishes a new regulation.

/s/ *Samuel Ridders*

Samuel Ridders  
Administrator  
Rural Business-Cooperative Service

EXPIRATION DATE:  
July 31, 2017

FILING INSTRUCTIONS:  
Preceding RD Instruction 4280-B